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In the Supreme Court of the United States

OCTOBER TERM, 1965

No. 58

**EDWARD J. BRENNER, COMMISSIONER OF PATENTS,
PETITIONER**

v.

ANDREW JOHN MANSON

**ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF
CUSTOMS AND PATENT APPEALS**

BRIEF FOR PETITIONER

OPINION BELOW

The opinion of the Court of Customs and Patent Appeals is reported at 333 F. 2d 234 (R. 63).

JURISDICTION

The judgment of the Court of Customs and Patent Appeals was entered on June 25, 1964 (R. 72) and a timely petition for rehearing was denied on November 5, 1964 (R. 73). On February 3, 1965, the Chief Justice extended the time in which to file a petition for a writ of certiorari to and including March 5, 1965. The petition was filed on February 23, 1965, and was granted on April 26, 1965 (R. 75). The

jurisdiction of this Court is invoked under 28 U.S.C. 1256.

QUESTIONS PRESENTED

1. Whether this Court has jurisdiction under 28 U.S.C. 1256 to review patent decisions of the United States Court of Customs and Patent Appeals.

2. Whether a process is "useful" within the meaning of the Patent Act (and hence patentable) merely because it operates to produce a product without any known specific utility.

CONSTITUTIONAL, STATUTORY AND ADMINISTRATIVE PROVISIONS INVOLVED

Article I, Section 8, clause 8, of the Constitution of the United States provides:

The Congress shall have Power

* * * * *

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries;

* * * * *

28 U.S.C. 1256 provides:

Court of Customs and Patent Appeals; certiorari—

Cases in the Court of Customs and Patent Appeals may be reviewed by the Supreme Court by writ of certiorari.

35 U.S.C. 101 provides:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent

therefor, subject to the conditions and requirements of this title.

35 U.S.C. 112 provides:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

* * * * *

35 U.S.C. 135 provides:

Whenever an application is made for a patent which, in the opinion of the Commissioner, would interfere with any pending application, or with any unexpired patent, he shall give notice thereof to the applicants, or applicant and patentee, as the case may be. The question of priority of invention shall be determined by a board of patent interferences (consisting of three examiners of interferences) whose decision, if adverse to the claim of an applicant, shall constitute the final refusal by the Patent Office of the claims involved, and the Commissioner may issue a patent to the applicant who is adjudged the prior inventor. A final judgment adverse to a patentee from which no appeal or other review has been or can be taken or had shall constitute cancellation of the claims

involved from the patent, and notice thereof shall be endorsed on copies of the patent thereafter distributed by the Patent Office.

A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an issued patent may not be made in any application unless such a claim is made prior to one year from the date on which the patent was granted.

Patent Office Rule 204(b), 37 CFR 1.204(b), provides:

When the filing date or effective filing date of an applicant is subsequent to the filing date of a patentee, the applicant, before an interference will be declared, shall file an affidavit that he made the invention in controversy in this country, before the filing date of the patentee, or that his acts in this country with respect to the invention were sufficient under the law to establish priority of invention relative to the filing date of the patentee; and, when required, the applicant shall file an affidavit (of the nature specified in Rule 131) setting forth facts which would prima facie entitle him to an award of priority relative to the filing date of the patentee.

STATEMENT

On January 20, 1960, respondent, pursuant to 35 U.S.C. 135, filed an "interference" application (R. 3-18) with the Patent Office for the purpose of establishing the priority of his discovery over a patent previously issued on October 13, 1959, to Ringold and Rosenkranz (U.S. Pat. No. 2,908,693, hereinafter referred to as the Ringold patent) (R. 57-58). Respond-

ent alleged that he made the invention described in his application prior to December 17, 1956, *i.e.*, three years before the Ringold patent was issued (R. 9).

The Ringold patent and the interference application both described the same new process for the production of a class of organic chemical compounds, technically known as 2-methyl-dihydrotestosterones⁵. These compounds had been previously known; the Ringold patent and respondent's application covered only the process for their production. The Ringold patent disclosed a use for the compounds produced by the new process in the "treatment of those ailments where an anabolic or antiestrogenic effect together with a lesser androgenic effect is desired" (R. 57), and a publication by Ringold and Rosenkranz in a scientific journal prior to their patent application indicated that one such use might be as a tumor inhibitor (R. 59-61). Respondent's application, on the other hand, disclosed no known use for the compounds and disclosed no use for the process other than in the production of the compounds. Respondent, moreover, did not come forward with his application until after Ringold had disclosed the therapeutic utility of the compounds.

The Patent Office Examiner rejected respondent's application on the ground that he had failed "to establish priority of invention *relative to the filing date of the patentee* [Ringold]" because, in his application and affidavits supporting his application, he had failed "to disclose any utility for" the chemical compounds produced by the new process and had failed "to show that said final product was known to have any utility prior to the effective date of the

[Ringold] reference" (R. 39-40; emphasis in original). The Board of Appeals affirmed these findings that respondent had not sufficiently alleged knowledge of utility prior to Ringold, and held that respondent's interference application had been properly rejected on this basis (R. 49-53). The Court of Customs and Patent Appeals (Chief Judge Worley dissenting) reversed (R. 63-71). In the court's view, "a process which operates as disclosed to produce a known product is 'useful' within the meaning of section 101 [of the Patent Act (35 U.S.C. 101)]" (R. 65). The court held that respondent had therefore satisfied the utility requirement upon the discovery of the process alone and was thus entitled to attempt to establish whether his discovery had been prior to Ringold's. Accordingly, it directed the Patent Office to institute an interference proceeding between respondent and Ringold.

SUMMARY OF ARGUMENT

While the question is not free from difficulty, we believe that the Court has jurisdiction over this case under Section 1256 of the Judicial Code (28 U.S.C.). The unlimited language of Section 1256, considered alone, confers jurisdiction. Section 1256 was, however, enacted at a time (1948) when this Court's decision in *Postum Cereal Co. v. California Fig Nut Co.*, 272 U.S. 693, constituted a constitutional bar to certiorari jurisdiction over decisions of the Court of Customs and Patent Appeals reviewing determinations of the Patent Office. That constitutional bar was removed in *Glidden v. Zdanok*, 370 U.S. 530, and the question now at issue is whether Section 1256, enacted prior to

Glidden, should be read to confer jurisdiction upon the class of cases made constitutionally reviewable by *Glidden*. We believe that Section 1256 should be so read. We are persuaded principally by the unlimited language of the provision and by the anomalies which would result from reading Section 1256 to confer only the jurisdiction existing in 1948. In view of these anomalies and an apparent legislative purpose consistent with conferring full constitutional jurisdiction upon this Court, it seems most appropriate to read Section 1256, as it is written, to confer certiorari jurisdiction over all cases in the Court of Customs and Patent Appeals which can now constitutionally be reviewed, regardless of whether they were deemed reviewable when the Judicial Code was adopted.

On the merits, the question in this case concerns the meaning of the utility requirement for patentability in the Patent Act as it relates to applications for patents on processes to produce chemical compounds. The Court of Customs and Patent Appeals has held that such a process is "useful" within the meaning of the Act (and hence that it is patentable if new and non-obvious) so long as it "operates as disclosed to produce a known product." (R. 64-65). In our view, this test does not require a sufficient showing of utility, for it would permit a patent on a process whose sole use was to produce a useless product, thus resulting in no benefit to society in exchange for the patent. Such a result conflicts with the statutory and constitutional requirement that patents only be issued upon inventions which constitute a contribution to the progress of "useful Arts." Indeed, the result below may tend actually to inhibit progress by foreclosing

efforts by persons other than the patentee independently to develop uses for the process or its product.

The purpose of the utility requirement in every patent act has been, we believe, to restrict patents to those inventions which can be exploited through the patent monopoly to the benefit of the public. In return for his invention, the inventor is given an initial period of seventeen years in which his rights of exploitation and commercial development are exclusive. It is important to enforce the utility requirement to insure that patents not be granted upon ideas or techniques which, because they lack present utility, cannot be beneficially exploited under the patent grant. The only function of the patent in such a case would be to foreclose creative research by persons other than the patentee in the area covered by the patent. Since no present beneficial utility was shown for the process here at the time of the alleged invention, respondent's interference application was properly denied by the Patent Office.

ARGUMENT

I

THIS COURT HAS JURISDICTION UNDER 28 U.S.C. 1256 TO REVIEW PATENT DECISIONS OF THE COURT OF CUSTOMS AND PATENT APPEALS

Section 1256 of the Judicial Code (28 U.S.C.) broadly provides:

"Cases in the Court of Customs and Patent Appeals may be reviewed by the Supreme Court by writ of certiorari."

Despite this unqualified language, there is a question whether certiorari jurisdiction does, in fact, exist

in the present case.¹ Indeed, we have in the past urged that such jurisdiction did not exist under Section 1256.² This view originated prior to this Court's decision in *Glidden Co. v. Zdanok*, 370 U.S. 530, and was, at that time, based principally upon the constitutional obstacle to review posed by *Postum Cereal Co. v. California Fig Nut Co.*, 272 U.S. 693.³ In *Glidden Co. v. Zdanok*, however, the Court effectively overruled the *Postum* case, thus eliminating the constitutional barrier. The resulting statutory question of this Court's certiorari jurisdiction over patent cases from the Court of Customs and Patent Appeals

¹ See, generally, Kurland and Wolfson, *Supreme Court Review of the Court of Customs and Patent Appeals*, 18 Geo. Wash. L. Rev. 192, 198 (1950).

² See footnotes 3-6, *infra*.

³ Our position that jurisdiction did not exist under Section 1256 was apparently first taken in our Brief in Opposition in *Dalton v. Marzall*, No. 87, O.T., 1951, certiorari denied, 342 U.S. 818, where we argued that "[p]etitioners' reliance on that section [1256] overlooks the holding of this Court in the *Postum Cereal Company* case * * * that it has no constitutional power to review decisions in summary appeals taken from determinations of the Patent Office in patent and trademark matters * * *" (p. 7). This position was repeated prior to *Glidden v. Zdanok* in the following cases: *Thompson v. Learned*, No. 496, O.T., 1951, certiorari denied, 342 U.S. 942; *Shackell v. Marzall*, No. 763, O.T., 1951, certiorari denied, 343 U.S. 978; *Martin v. Marzall*, No. 130, O.T., 1952, certiorari denied, 344 U.S. 824; *Campbell v. Commissioner of Patents*, No. 300, O.T., 1954, certiorari denied, 348 U.S. 858; *Ducci v. Commissioner of Patents*, No. 603, O.T., 1955, certiorari denied, 350 U.S. 982; *Tatincloux v. Commissioner of Patents*, No. 734, O.T., 1955, certiorari denied, 351 U.S. 907; *Rubenfeld v. Watson*, No. 622, O.T., 1959, certiorari denied, 362 U.S. 903; *Commissariat a L'Energie Atomique v. Watson*, No. 826, O.T., 1959, certiorari denied, 362 U.S. 977.

under Section 1256 was expressly left open in *Glidden*. (370 U.S. at 578 n. 49).

While our view as to the non-existence of certiorari jurisdiction was not abandoned immediately after the decision in *Glidden Co. v. Zdanok*,⁴ we contemporaneously found the issue "very doubtful" in light of the position we took in that case⁵ and, more recently, we have urged that the question was a close one, warranting this Court's plenary consideration.⁶ We have now undertaken a full re-examination of the question and have concluded, in light of *Glidden* and the unqualified language of Section 1256, that jurisdiction does exist.

1. In *Postum Cereal Co. v. California Fig Nut Co.*, 272 U.S. 693, this Court held that decisions of the Court of Appeals for the District of Columbia, on appeal from decisions of the Patent Office relating to patent or trademark applications, were not judicial determinations but "merely an instruction * * * by a court which is made part of the machinery of the Patent Office for administrative purposes." 272 U.S.

⁴ See our Briefs in Opposition in *In the Matter of the Application of Andrew Alford*, No. 416, O.T., 1962; certiorari denied, 371 U.S. 901; *Cauer v. The Honorable Justices of the United States Court of Customs and Patent Appeals*, No. 268 Misc., O.T., 1963, certiorari denied, 375 U.S. 808; *Surrey v. Ladd*, No. 466, O.T., 1963, certiorari denied, 375 U.S. 930.

⁵ Brief for the Respondent in Opposition in *Larsen v. Ladd*, No. 671, O.T., 1961, p. 4, certiorari denied, 370 U.S. 936.

⁶ Brief for the Respondent in Opposition *In the Matter of the Application of Friedrich Gruschwitz and Albert Fritz*, No. 579, O.T., 1963, certiorari denied, 375 U.S. 967. After finding considerations on both sides, we said that "[w]e do not urge that the question is one which would not warrant examination in an appropriate case" (p. 7).

at 698-699. Such "administrative" decisions did not, in the Court's view, present justiciable cases or controversies constitutionally appropriate for this Court's resolution.

The jurisdiction of the Court of Appeals for the District of Columbia over patent and trademark matters was subsequently transferred to the Court of Customs and Patent Appeals. Act of March 2, 1929, c. 488, Sections 1-4, 45 Stat. 1475. The transfer was not, however, deemed to affect the constitutional question of this Court's jurisdiction over such cases for, in subsequently denying certiorari to the Court of Customs and Patent Appeals in *Pacific Northwest Canning Co. v. Skookum Packers' Assn.*, 283 U.S. 858 (a trademark case), and in *McBride v. Teeple*, 311 U.S. 649 (a patent case), the Court specifically noted that the denial was "for want of jurisdiction," citing *Postum*.⁷ Petitions in subsequent patent cases from the Court of Customs and Patent Appeals were merely denied, without more.

In 1961, *Postum* was effectively overruled in *Glidden Co. v. Zdanok*, 370 U.S. 530, 574-579, 605 n. 11. The Court held "the patent and trademark jurisdiction now exercised by the Court of Customs and Patent Appeals [to be] fully within the category of cases and controversies." (370 U.S. at 578).⁸

⁷ In denying certiorari in *Pacific* the Court also cited the section of the Judicial Code which indicated an absence of a statutory basis for certiorari review of patent and trademark decisions of the Court of Customs and Patent Appeals. In *McBride* the Court did not allude to the statute, but it did cite *Pacific*.

⁸ While the language appears in the plurality opinion of only three Justices, the concurring opinion of Mr. Justice Clark,

Thus, the constitutional obstacle to review by this Court was removed. The subsisting question is a statutory one: Whether Congress should be deemed to have vested jurisdiction over such cases in this Court through the prior enactment of Section 1256 of the Judicial Code.

2. The statutory history of Section 1256 contains no absolute answer to the problem. Prior to 1948, the Court's jurisdiction to review decisions of the Court of Customs and Patent Appeals was specifically limited to customs cases. The statute conferring review was Section 308 of the Judicial Code⁹ which had two parts: One empowered the Court of Customs and Patent Appeals to determine appeals from the Customs Court and the second authorized this Court to

joined by the Chief Justice (370 U.S. at 585-589), plainly supports the same conclusion.

Postum was not technically "overruled," since the plurality opinion found that its decision had probably rested upon a statutory scheme no longer in existence (370 U.S. at 577):

At the time when *Postum* was decided, the proceeding in equity against the Patent Office [now a "civil action" in the District Court for the District of Columbia, see 35 U.S.C. 145] was cumulative rather than alternative with the review by appeal, and it seems likely that it was this feature of the statute which caused the Court to characterize the judgment of the Court of Appeals as "a mere administrative decision." 272 U.S. at 698. Thereafter Congress made the remedies alternative, Act of March 2, 1927, c. 273, § 111, 44 Stat. 1335, 1336, and it was this amended jurisdiction that it later transferred to the Court of Customs and Patent Appeals, renaming the court in the process. Act of March 2, 1929, c. 488, 45 Stat. 1475.

⁹Section 308 was originally enacted as Section 195 of the Judicial Code in 1911, 36 Stat. 1145. It was amended by the Act of August 22, 1914, 38 Stat. 703, and by Section 647 of the Tariff Act of 1930, 46 Stat. 590, 762, 28 U.S.C. (1946 ed.) 308.

review such decisions. The jurisdiction of the Court of Customs and Patent Appeals over appeals from decisions of the Patent Office was covered by a separate statute which, consistently with the constitutional ^{doctrine} ~~provisions~~ of the *Postum* case, made no reference to Supreme Court review.

The 1948 codification of the Judicial Code, of which Section 1256 was a part, collected the provisions defining the jurisdiction of the several federal courts in chapters dealing separately with each court. The provisions relating to the jurisdiction of the Court of Customs and Patent Appeals were placed in Chapter 93. Section 1541, based upon the first part of old Section 308, conferred jurisdiction over decisions of the Customs Court; Section 1542 continued the jurisdiction previously conferred over patent and trademark decisions of the Patent Office. Chapter 81 of the new Code dealt with this Court's jurisdiction. The Reviser's Note to Section 1256, treating jurisdiction over the Court of Customs and Patent Appeals, indicated only the second portion of old Section 308 as a predecessor and did not suggest that any substantive change was intended. Nevertheless, Section 1256 unqualifiedly provided review through certiorari in "[c]ases in the Court of Customs and Patent Appeals," whereas Section 308 had explicitly conferred jurisdiction only in customs cases. So long as the *Postum* decision remained a constitutional bar to certiorari jurisdiction over all but customs cases in the Court of Customs and Patent Appeals, the Reviser's Note accurately reflected the fact that the enactment of the new provision had no practical effect upon this Court's jurisdiction. In light of the removal of this

bar by *Glidden Co. v. Zdanok*, however, the question is whether a broad delegation of jurisdiction is to be attributed to this previously enacted and literally unrestricted provision.

While the question thus raised is not free from difficulty, we believe that Section 1256 may permissibly be read as conferring jurisdiction in this Court in patent cases from the Court of Customs and Patent Appeals and that this reading best accords with the legislative purpose underlying the 1948 codification. We are persuaded to reach this conclusion after re-examination in light of *Glidden Co. v. Zdanok*, not only by the unqualified language of the statute, but by the anomalies which would be perpetuated by a narrow reading of Section 1256—anomalies held constitutionally necessary in *Postum* but whose constitutional basis has now been removed.

To begin with, we note that the issue of patentability presently reaches this Court, whatever the scope of Section 1256, in infringement proceedings originally arising in the district courts or the Court of Claims. There seems no sound reason to attribute a legislative purpose to deny this Court's jurisdiction to resolve the same issue when presented by the more immediate route of direct review by the Court of Customs and Patent Appeals of the Patent Office decision concerning patentability, now that such review has become constitutionally permissible.

Sound reasons of patent policy also point toward attributing a legislative purpose to confer this direct jurisdiction over the issue of patentability, in the absence of constitutional obstacles: Serious harm may be avoided if this Court has jurisdiction to bar the

initial grant of an undeserved monopoly in a field of scientific or industrial experimentation where the existence of an invalid patent would inevitably constitute a substantial discouragement to use of the "patented" process or article.

Finally, we note that Congress has made decisions of the Patent Office directly reviewable, albeit by different procedures, in either the District Court for the District of Columbia or the Court of Customs and Patent Appeals. (See 35 U.S.C. 145; 28 U.S.C. 1542; *Glidden Co. v. Zdanok*, 370 U.S. 530, 576-577.) Decisions respecting patentability by the Court of Appeals for the District of Columbia, on appeal from decisions of the district court, are clearly reviewable by this Court on certiorari. (See *Hoover Co. v. Coe*, 325 U.S. 79; *Special Equipment Co. v. Coe*, 324 U.S. 370.) It seems most consistent with the legislative purpose underlying the Judicial Code to conclude that similar decisions of the Court of Customs and Patent Appeals should also be reviewable by this Court, not only to prevent the incongruity of having this Court's jurisdiction determined by the patent applicant's choice of the court in which initially to seek review of the Patent Office, but also to provide a method of eliminating conflict between two co-equal federal courts—the Court of Appeals and the Court of Customs and Patent Appeals—thus vindicating one of the principal legislative purposes for the establishment of the certiorari jurisdiction.* This very case illustrates such a conflict: The decision below is the culmination of a

* Since the option to choose the forum lies with the applicant, he would be free to choose the most favorable forum in cases—like the present one—of conflict between the Court of Customs

series of decisions of the Court of Customs and Patent Appeals inconsistent with the decision of the court of appeals in *Petrocarbon, Ltd. v. Watson*, 247 F. 2d 800, certiorari denied, 355 U.S. 955.¹⁰

In these circumstances, we submit that the unqualified grant of certiorari jurisdiction in Section 1256 should be read, as written, to confer not merely the customs jurisdiction existing in 1948, but general jurisdiction over all cases in the Court of Customs and Patent Appeals which constitute judicial business within Article III.¹¹ Any other interpretation would attribute a legislative purpose, seemingly inconsistent with the broad purposes of the 1948 revision, to continue anomalous restrictions upon this Court's power beyond the time when they were constitutionally required. We note in this connection that the result we urge is in accord with the unlimited grant, in other sections of Chapter 81 of the Judicial Code, of the full constitutional jurisdiction over cases in the courts of appeals (Section 1254) and the Court of Claims (Section 1255). It is, moreover, the only interpretation which gives significance to the unlimited language of the jurisdictional provision in the 1948 codification as compared with the limited prior statute. Had the codification not foreseen the potential future expansion of this Court's jurisdiction to accord with the expan-

and Patent Appeals and the court of appeals. If the forum chosen is the Court of Customs and Patent Appeals, no direct review of its decision would be possible unless Section 1256 is read to cover this case.

¹⁰ See pp. 25-27, *infra*, and footnote 24.

¹¹ For example, Section 1256 would seem clearly applicable to provide a basis for review of any new Article III business assigned by Congress to the Court of Customs and Patent Appeals after the 1948 codification.

sion of the Article III jurisdiction of the Court of Customs and Patent Appeals, no purpose will have been served by thus codifying a general provision covering all "cases" to replace a limited provision relating only to customs matters.¹²

II

THE COURT OF CUSTOMS AND PATENT APPEALS INCORRECTLY HELD THAT A PROCESS IS USEFUL WITHIN THE MEANING OF THE PATENT ACT MERELY BECAUSE IT OPERATES TO PRODUCE A KNOWN BUT USELESS PRODUCT

On the merits, the question in this case concerns the meaning of the utility requirement for patentability in the Patent Act. Specifically, it calls for decision on the showing of utility which must be made to

¹² Respondent shares the conclusion that some certiorari jurisdiction exists to review patent decisions of the Court of Customs and Patent Appeals but urges that the jurisdiction extends only to petitions filed by patent applicants and not to petitions on behalf of the Commissioner of Patents (Respondent's Brief in Opposition, pp. 6-9). This assertion is bottomed principally on the fact that the dissatisfied patent applicant alone may seek initial judicial review of adverse administrative action. Respondent would interpret Section 1256 as placing the same limitation upon access to this Court.

Obviously the Patent Office may not contest the propriety of its own judgment by seeking review in the Court of Customs and Patent Appeals. That fact, however, surely does not preclude the Patent Office from seeking review in this Court of an adverse judicial decision rendered in review of its order, if certiorari jurisdiction, as we submit, otherwise exists. See, e.g., *Consolidated Foods Corp.*, 380 U.S. 592; *Securities and Exchange Commission v. Chenery Corp.* 332 U.S. 194; *National Labor Relations Board v. Hearst Publications, Inc.*, 332 U.S. 111. *Butterworth v. Hoe*, 112 U.S. 50, 59-60, upon which respondent relies, was decided at a time when the Constitution was deemed to forbid all direct review in this Court of Patent Office decisions; it therefore cannot be read to say that only the dissatisfied applicant, and not the Commissioner, may seek review.

support an application for a patent on a new process to produce a product whose existence has previously been known and whose use is neither shown nor obvious.¹³ In obtaining a patent upon the process involved in this case to produce such a known organic compound, Ringold and Rosenkranz disclosed a potential therapeutic use for the compound as an inhibitor of the growth of tumors in animal organisms. Respondent seeks a determination that his discovery of the process was prior to Ringold's—and hence that he, rather than Ringold, should be deemed entitled to the process patent. It is common ground that, to prevail, respondent must show that he arrived at a patentable invention prior to Ringold. Respondent, however, has failed to allege that any use was known for the compound prior to Ringold's disclosure of such a use and has failed to allege any known use for the process other than in the production of that compound.

In these circumstances, the Court of Customs and Patent Appeals has held that respondent will have

¹³ As mentioned previously, *supra*, pp. 15-16, a conflict exists on this question between decisions of the court below culminating in the present case and the decision of the Court of Appeals for the District of Columbia Circuit in *Petrocarbon, Ltd. v. Watson*, 247 F. 2d 800, certiorari denied, 355 U.S. 955. For a discussion of the relevant lower court decisions see pp. 25-27, *infra* and footnote 24. The question has never been resolved by this Court.

For discussion of the general problem involved in this case see Note, *Utility as a Factor in Chemical Patentability*, 108 U. of Pa. L.R. 1037; Note, *Utility in Intermediate Chemical Compounds*, 8 U.C.L.A. L.R. 289; Cohen and Schwartz, *Do Chemical Intermediates Have Patentable Utility?*, 29 G. Wash. L.R. 87; Boyle and Parker, *Patents for New Chemical Compounds*, 27 J.P.O.S. 831; Levy, *Utility—The Inverted Criterion*, 30 J.P.O.S. 592; Comment, *Utility Requirement in the Patent Law*, 53 Georgetown L.J. 154.

made a sufficient showing of utility prior to Ringold if he can show that his process worked before Ringold's. In the court's view, "a process which operates as disclosed to produce a known product is 'useful' within the meaning of section 101 [of the Patent Act (35 U.S.C. 101)]." Thus the court holds that a process which "works" is conclusively useful, without more.

We disagree. While it is, in our view, admittedly difficult to set out a comprehensive test describing the extent of utility which must be shown to support a patentable invention of a process in all cases, we submit that it is clear beyond doubt that *some* showing of present beneficial utility for the results of process must be made. Such a showing is not made by demonstrating merely that the process works to produce some product, if the product will, for all that appears, remain totally useless. Since respondent here made no allegations that a beneficial use for his process or its ~~producer~~ ^{product} was known prior to Ringold's disclosures, he did not show that he arrived at a patentable invention before Ringold and his interference application was properly denied by the Patent Office.

A. A PATENTABLE PROCESS MUST BE USEFUL

If one proposition can be said to be settled in the patent law it is that a patentable invention must be useful. This requirement originated in the Constitution itself, which permits Congress "To Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."¹⁴ There is reason to believe that the patent power was

¹⁴ U.S. Constitution, Art. I, § 8.

originally deemed to flow exclusively from this authority to ~~promote~~^{promote} the "useful Arts," while the advancement of "Science" was the province of copyright law, thus making the utility requirement an expressed constitutional prerequisite.¹⁵

All federal legislation exercising the patent power has expressly incorporated a requirement of utility as a condition of a patentable invention. The earliest patent law, enacted by the first Congress in 1790, was entitled simply "An Act to Promote the Progress of useful Arts" (1 Stat. 109),¹⁶ as were the two major

¹⁵ See H. Rep. No. 1923, 82d Cong. 2d Sess., p. 4 (1952); S. Rep. No. 1979, 82d Cong., 2d Sess., p. 3 (1952).

This provision was unanimously adopted by the Constitutional Convention following suggestions for Federal jurisdiction over both patents and copyrights which had been made in the Convention by James Madison of Virginia and Charles Pinckney of South Carolina. Each proposed separate provisions relating to patents and to copyrights which were merged by the Drafting Committee of the Convention into the general statement we now have, which was adopted without any dissenting voice.

The background, the balanced construction, and the usage current then and later, indicate that the constitutional provision is really two provisions merged into one. The purpose of the first provision is to promote the progress of science by securing for limited times to authors the exclusive rights to their writings, the word "science" in this connection having the meaning of knowledge in general, which is one of its meanings today. The other provision is that Congress has the power to promote the progress of useful arts by securing for limited times to inventors the exclusive right to their discoveries. The first patent law and all patent laws up to a much later period were entitled "Acts to promote the progress of useful arts."

¹⁶ Act of April 10, 1790, ch. 7, 1 Stat. 109. Utility as a condition of patentability was similarly underscored by the Continental Congress:

The Committee of the Week Mr. Pierse Long. Mr. Joseph Gardner and Mr. Samuel Holten beg leave to report, that they

patent acts enacted thereafter (1 Stat. 318; 5 Stat. 117). The 1790 Act granted patent monopolies for such arts, manufactures, engines, machines, or devices as were "sufficiently useful and important" (1 Stat. 110). The patentee was required to describe the invention with sufficient particularity to enable one skilled in the art "to make, construct, or use the same, to the end that the public may have the full benefit, thereof, after the expiration of the patent term."¹⁷ Three years later, with the passage of the second patent act, Congress provided for the issuance of a patent in favor of any citizen inventing "any new and useful art, machine, manufacture or composition of matter, or any new and useful improvement" thereof,¹⁸ upon the condition that he "shall deliver a written description of his invention, and of the manner of using, or process of compounding the same * * *."¹⁹ Succeeding Congresses enacted a considerable amount of legislation relating to the patent system,²⁰ but "novelty" and "utility" have remained as minimal standards.

have attentively perused the Petition of Michael Byrne relative to his new invented Instrument for solving problems and fixing Latitudes; but until the said Mr. Byrne give some proof of the utility of such Instrument and that the invention merits the notice of Congress, they recommend that his application lay on the Table.

Journals of the Continental Congress, Vol. XXVIII, p. 30 (February 1, 1785).

¹⁷ 1 Stat. 109, 110.

¹⁸ Act of February 21, 1793, ch. 11, 1 Stat. 318.

¹⁹ 1 Stat. 318, 322.

²⁰ Principal among the intervening acts were those of 1936 [Act of July 4, 1836, ch. 357, 5 Stat. 117] and 1870 [Act of July 8, 1870, ch. 230, 16 Stat. 198]. The former, undoubtedly a product of the dissatisfaction stemming from the indiscriminate grant of patents following the conversion, by the Patent Act of 1793, of the patent

The present relevant provision, Section 101 of the 1952 Act, (35 U.S.C. 101), entitled "Inventions patentable," provides that "Whoever invents or discovers any *new and useful* process, machine, manufacture, or composition of matter, or any *new and useful* improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title" (emphasis added). The second part of the utility requirement, that the patentee describe his invention in such a way "as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same," is now embodied in Section 112 (35 U.S.C. 112). Section 101 of the 1952 Act also made explicit the previous understanding that a useful "process" might be found to be within the category of patentable inventions.²¹

This Court has always emphasized the requirement of utility as an important condition on the patent grant, not only in general but with specific application to so-called "process" patents. Thus "one great object" of the patent statutes was, "by holding out a reasonable reward to inventors, and giving them an exclusive right to their inventions for a limited period," not merely to reward inventors but "to stimulate the efforts of genius; the main object was 'to promote the progress of science and useful arts.'"


issuance function into a ministerial act, created the organizational structure of our patent system as we know it today. The 1870 Act, passed as part of the program to revise and consolidate all existing laws, thereafter became Section 4886 of the Revised Statutes of 1874.

²¹ As the Committee Reports explain, "[t]he word 'process' has been used to avoid the necessity of explanation that the

Pennock v. Dialogue, 2 Pet. 1. Thirty years later, in *Kendall v. Winsor*, 21 How. 322, 327-328, the Court made it explicit that "the limited and temporary monopoly granted to inventors was never designed for their exclusive profit or advantage; the benefit to the public or community at large was another and doubtless the primary object in granting and securing that monopoly." And in *Seymour v. Osborne*, 11 Wall. 516, 533-534, it was observed:

Letters patent are not to be regarded as monopolies, created by the executive authority at the expense and to the prejudice of all the community except the persons therein named as patentees, but as public franchises granted to the inventors of new and useful improvements for the purpose of securing to them, as such inventors, for the limited term therein mentioned, the exclusive right and liberty to make and use and vend to others to be used their own inventions, as tending to promote the progress of science and the useful arts, and as matter of compensation to the inventors for their labor, toil, and expense in making the inventions, and reducing the same to practice for the public benefit, as contemplated by the Constitution and sanctioned by the laws of Congress.

word 'art' as [formerly] used in this place means 'process or method,' and that it does not mean the same thing as the word 'art' in other places," such as the Constitution, where it is used in its broadest sense. H. Rep. No. 1923, 82d Cong., 2d Sess., p. 6 (1952); S. Rep. 1979, 82d Cong., 2d Sess., p. 5 (1952). See also Reviser's Note, 35 U.S.C. 101.

As defined in 35 U.S.C. 100, "the term 'process' means process, art or method, and includes a new use of a known process, machine, manufacture, composition of matter,  material."

It is thus abundantly clear, that "[t]he design of the patent laws is to reward those who make some substantial discovery or invention, which *adds to our knowledge and makes a step in advance in the useful arts*", *Atlantic Works v. Brady*, 107 U.S. 192, 200, and patentable utility thus requires ultimate "practical utility." *Smith v. Nichols*, 21 Wall. 112, 118 (emphasis added). Patents are not merely "certificates of merit"; the patented invention must also constitute "an innovation for which society is truly indebted to the efforts of the patentee." *Sinclair Co. v. Interchemical Corp.*, 325 U.S. 327, 330. In this Court's last decision on a question of patentability, it was again stressed that "The function of a patent is to add to the sum of useful knowledge." *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Co.*, 340 U.S. 147, 152.

The same general rule of utility undeniably applies to a "process" patent. On the first occasion on which this Court was called upon to scrutinize a claim for such a patent, it stated: "Whoever discovers that a certain *useful* result will be produced, in any art, machine, manufacture, or composition of matter, by the use of certain means, is entitled to a patent for it * * *. And it makes no difference, in this respect, whether the effect is produced by chemical agency or combination." *O'Reilly v. Morse*, 15 How. 61, 118 (emphasis added). And in *Cochrane v. Deener*, 94 U.S. 780, involving the validity of a patent covering a process for the manufacture of flour, it was observed (*id.* at 787-788) (emphasis added):

That a process may be patentable, irrespective of the particular form of the instrumen-

talities used, cannot be disputed. * * * A process is a mode of treatment of certain materials to produce a given result. It is an act, or a series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing. If new and *useful*, it is just as patentable as is a piece of machinery. In the language of the patent law, it is an art.

While the requirements of utility for process patents is thus old and indisputable, it is only recently that attempts have been made to give content to the rule in specific situations. Prior to 1950, rejections of chemical process patents for lack of disclosure of utility seem to have been exclusively on the ground that the process did not work; it was apparently assumed by the Patent Office, without demonstration, that chemical compounds were necessarily useful, at least in the preparation of other compounds, and that specific inquiry beyond the success of the process was therefore unnecessary to satisfy the statutory standard of utility. See *Ex parte Watt*, 63 U.S.P.Q. 163 (Pat. Off. Bd. App. 1942); Comment, *Utility Requirement in the Patent Law*, 53 Georgetown L. Rev. 154, 183. In 1950, however, the Patent Office, perhaps in response to the proliferation of new chemical compounds of no known utility, rejected a patent on a process for producing a chemical for lack of a disclosure that the products of the process had any utility. The Court of Customs and Patent Appeals affirmed. *In re Bremner*, 182 F. 2d 216. Relying on the Constitutional provision, the predecessors to Sections 101 and 112 of the Act,²² and several of

²² Rev. Stat. 4886, 4888.

its prior decisions holding that specifications must disclose utility, the court held that "[i]t was never intended that a patent be granted upon a product, or a process producing a product, unless such product be useful." 182 F. 2d at 217. Seven years later, this decision was followed by the Court of Appeals for the District of Columbia Circuit in *Petrocarbon, Ltd. v. Watson*, 247 F. 2d 800, where, in affirming the Patent Office's rejection of product and process claims for a new polymer film, the court held the specification "defective as a matter of law" for failure to "explain how the film is to be used." 247 F. 2d at 801.²³ This Court denied certiorari.

In the years following *Petrocarbon*, while the Patent Office has adhered to the standards of *Bremner*, the Court of Customs and Patent Appeals has, in a series of decisions culminating in the decision below here,²⁴ reached the contrary rule, i.e., that a process is "useful" within the meaning of the Act merely because it works, regardless of the utility of the end products. It is to the correctness of this rule that we now turn.

²³ See also *Libbey Owens v. Celamese*, 135 F. 2d 138, 146 (C.A. 6), certiorari denied. 320 U.S. 744.

²⁴ Three years after the *Petrocarbon* decision, in *Application of Nelson*, 280 F. 2d 172, the Court of Customs and Patent Appeals by a 3 to 2 vote seemed to adopt a more permissive attitude toward the requirement of utility, although it did not abandon the requirement except as it might have been thought to presuppose immediate practical utility vis-a-vis the general public as distinguished from scientific users. The court in *Nelson* first held that a new chemical product need not be useful to the general public to be patentable under 35 U.S.C. 101, and that it need not be "good for" anything "other than experimentation and the making of other compounds in the

B. THE UTILITY REQUIREMENT MEANS THAT A PROCESS IS NOT USEFUL (AND HENCE NOT PATENTABLE) MERELY BECAUSE IT "WORKS"; A PRESENT CAPABILITY OF BENEFICIAL UTILITY MUST BE SHOWN

The Court of Customs and Patent Appeals has held that "a process which operates as disclosed to important field of research." 280 F. 2d at 180-181. Second, the court held that the requirement of 35 U.S.C. 112, that the specification disclose such information as to enable a person skilled in the art "to use" the invention, did not mean that the specification had to show what could be done with the new chemical product over and above enabling researchers to use the products to make other chemical products. 280 F. 2d at 182. The new chemicals involved in *Nelson* apparently fell in the pharmaceutical field, and the Patent Office had held that if it were disclosed that they, or other products that might be made from them, possessed therapeutic activity, then the requirement of utility would have been met. While not overruling *Bremner*, the court interpreted it as requiring nothing more than was present in *Nelson*, 280 F. 2d at 183-185. As to *Petrocarbon*, the court expressly disagreed with the decision there reached. 280 F. 2d at 186.

Product claims alone were at issue in *Nelson*. In *Application of Wilke*, 314 F. 2d 558 (1963), decided three years after *Nelson*, the claims related both to new chemical products and the process by which they were made. The court upheld the Patent Office's rejection of the product claims on the ground that the specification failed to disclose the use of some of the products even under the liberal standards of *Nelson*. But, as to the process claims, it reversed the Patent Office's rejection and held that for process claims to be patentable it need only be demonstrated how to carry out the process so as to make the products. Even if the resulting products have no usefulness under the standards of *Nelson*, the process by which they are made might, under the court's holding, be patentable. *Bremner* was expressly overruled as applied to process claims. 314 F. 2d at 565-566. Subsequently, the court approvingly embraced the *Wilke* distinction between product and process patents in *Application of Adams*, 316 F. 2d 476 and *Application of Szwarc*, 319 F. 2d 277. It is interesting to note that *Szwarc* involved a second application covering the precise process and product

produce a known product is 'useful' " within the meaning of the Patent Act. We submit that this definition places too low a standard of utility upon process patents: It is inconsistent with a meaningful statutory requirement of utility and it would permit the granting of patents without a reason to believe, as required by the Act and the Constitution, that the monopoly thus conferred would, indeed, promote the progress of the "useful arts." Not only would progress not be served thereby but, as we shall show, such patents on presently useless processes might well have the opposite effect of stifling progress by unjustifiably precluding large areas of potential scientific research and deterring the innovat~~ing~~ process by which useful results might be found. We suggest instead that the language of the Patent Act and its purpose to promote the useful arts are met only by a requirement of utility which demands a showing, as a prerequisite to a patent, that a process be useful in the sense of being presently capable of exploitation for society's

claims which were at issue in *Petrocarbon*. After rejecting the contention that collateral estoppel precluded consideration of both claims—it recognized that it barred consideration of the product claim—the court reaffirmed its holding in *Wilke* (319 F. 2d at 286) that:

a specification which teaches those skilled in the art how to use the process, *i.e.*, by disclosing the manipulative steps of the process, the required operating conditions and the starting materials so that the process may be used by a person skilled in the art, meets the requirements of 35 U.S.C. 112. It is not necessary to specify the intended uses for the product produced therein.

Finally, the decision below in this case made it clear beyond doubt that, while the court might still insist upon a showing of utility in product patents, a process patent, in its view, contains sufficient utility if the process works to produce any product, regardless of the utility of the product.

benefit. Absent Ringold's subsequent disclosures, respondent's process clearly did not meet that test.

It is true that, as a matter of language alone, the definition adopted below is not implausible. A process which "works" to produce a product may be said to be "useful" as compared with a process which does not work, just as an engine which works is useful as compared to one which is inoperative. One might thus abstractly examine the usefulness of a process by inquiring whether it produces a product, without inquiry as to the use to which that product can be put. While this approach, adopted by the Court below, may be defended as verbally consistent with the statute (although hardly the most natural reading of it), it is wholly inconsistent with the purpose of the Patent Act and the Constitution to promote the "useful Arts," for it does not test utility in terms of useful results.

This is most easily seen by ~~noting~~^{noticing} that as the Court below recognized, a patent on a *product*, as distinguished from the process which produces the product, may be issued only if the product is disclosed to have some utility; otherwise the statutory and constitutional standard of utility is not met.²⁸ A *process* to produce the product is one step farther removed from utility than the product itself. Where a process has utility only to produce a product, and where the product has insufficient utility to warrant a patent, it

²⁸ See R. 67, where the court, after quoting the statement in *In re Bremner, supra*, that "[i]t was never intended that a patent be granted upon a product, or a process producing a product, unless such product be useful," states "[t]hat this statement is correct with respect to *product* claims is beyond doubt. 35 U.S.C. 101" (emphasis in original).

would make no sense to conclude that the *process* shows utility while the *product* does not. The analogy to an engine which "works" is imperfect, for while the end product of an engine—motion—has obvious uses, the same cannot be said (as the Patent Office has recognized in recent years) for the end products of all processes producing new or known materials. Such materials may have no obvious utility and the statute and Constitution clearly require that a patent not be given without, as the *quid pro quo*, some showing of how the invention may benefit society.

We therefore submit that it is a sound general rule that a process is patentable only upon a demonstration that its results are capable of being beneficially exploited (see Stringham, *Outline of Patent Law*, pp. 132, 136-137, 245). The wisdom of this general rule in terms of the purposes of the Patent Act as well as its expressed requirements is illustrated by the potential harmful economic consequences of the rule adopted below in the field of science involved here: the production of therapeutic drugs. Product patents on "drugs" of no known utility are properly denied for, to the extent that drug manufacturers can blanket the field of potential therapeutic agents with such patents before any utility is found for the chemicals involved, they increase barriers to entry into a defined area of experimentation with such chemicals and thereby create the danger of harmfully discouraging competition and progress.²⁸ Experimentation to find uses for the product by persons other than the in-

²⁸ See Edwards, *Big Business and the Policy of Competition* at 90; Note, *Utility in Intermediate Chemical Compounds*, 8 U.C.L.A. L.R. 989, 993; Stedman, *The U.S. Patent System and Its Current Problems*, 42 Tex. L.R. 451, 453-454.

ventor would, at the very least, to some extent be discouraged by a patent on a product of no known present use, for the discoverer of a use could not freely exploit his discovery.

The same dangers are present in the case of process patent which produce products of no known present utility. Where the new process is the only practical way to produce the product, the rule adopted might well close the door to experimentation or innovation by persons other than the patentee who would otherwise seek uses for the end product.²⁷ Unless the patentee himself undertakes to find a use for the product produced by his process, significant discovery of such a use may be lost or long postponed. The grant of a patent without the discovery of a use may, moreover, withdraw the incentive of the patentee to find such a use since, under the rule below, he can foreclose his competitors by merely discovering the process. Finally, the rule below may harmfully operate, as it did in this case, to prefer an inventor who finds no use, and who does not even disclose his invention, over one who, shortly afterwards, independently arrives at both the new process *and* a use for the product produced and seeks a patent after full disclosure to exploit his invention.

Thus the rule adopted in this case by the Court of Customs and Patent Appeals—that no use whatsoever need be shown to support a process patent other than

²⁷ Parenthetically, it should be noted that it is no answer to a claim of patent infringement to assert non-use on the part of the patentee. A patentee is under "no obligation either to use [his patent] or to grant its use to others." *Hartford-Empire Co. v. United States*, 323 U.S. 386, 432; *Special Equipment Co. v. Coe*, 324 U.S. 370.

the demonstration that the process itself actually succeeds in producing a product—is erroneous as not sufficiently requiring a demonstration of utility as a prerequisite to the grant of a patent monopoly. While “pure” scientific research might speculatively, in some cases, be stimulated by the disclosure of a new and presently useless process which would accompany the grant of a patent on such a process, the contrary dangers of inhibiting progress and competition through useless patents, as well as the express statutory requirement of utility, fully justify the Patent Office in refusing such patents. The purpose of the utility requirement in every patent act has been, we believe, to restrict patents to those inventions which can be beneficially exploited through the patent monopoly. In return for his invention, the inventor is given an initial period of seventeen years in which his rights of exploitation and commercial development are exclusive. The distribution of the invention to the public’s benefit is thus encouraged—the patent and the monopoly it confers being given in exchange for the present distribution of the progressive benefits of the invention.

Patents upon ideas or techniques which are not sufficiently developed to produce a useful product capable of present exploitation through the patent monopoly, however, provide no basis for supplying any practical need. They function principally to foreclose research and innovation by others in the area covered by the patent. As in the present case, such a patent could well pre-empt a patent grant to the first inventor—here Ringold—who arrives at a process which he

can beneficially exploit, and the patent would thereby discourage the search for and the development of such beneficial uses. We submit that it is important to prevent the patent system from thus stifling scientific development, innovation and competition. This end is accomplished, and the requisite encouragement to useful invention is afforded, through strict enforcement of the requirement that an invention be shown capable of present beneficial use in order to merit a patent.

This is not to say that patents may not be granted upon inventions whose only use is scientific or experimental. To take an extreme example, suppose that a scientist were, today, to invent a machine whose sole function was to produce small amounts of living protoplasm from inert matter. Even if we suppose that the inventor can show no known practical use for the protoplasm produced, it would not follow that he would not therefore be entitled to a patent on his invention based upon its demonstrable experimental utility. Such a machine would be immediately capable of exploitation under a patent by sales or licenses to scientists working on biological research.²⁸ We recognize, therefore, that the requirement of Section 112 of the Act (35 U.S.C. 112) that the applicant disclose "the manner and process of making and using" the invention "as to enable any person skilled in the art to which it pertains * * * to make and use the same" might be held satisfied by a showing of use in the sense of a known specific scientific application

²⁸ See Boyle and Parker, *Patents for New Chemical Compounds*, 27 J.P.O.S. 831, 836-837; Deller, *Social and Economic Impact of Patents*, 46 J.P.O.S. 424, 443-445; Levy, *Utility—The Inverted Criterion*, 30 J.P.O.S. 592, 595-596.

of the patent as a research device presently capable of beneficial exploitation."

It is clear beyond doubt that no such showing that the patent might be used for a beneficial purpose was made in this case, where the respondent made no attempt to show any known beneficial use for his process or the end product thereof prior to Ringold's disclosures several years after respondent's alleged invention. Respondent rested on the allegation that the process "worked," and this was insufficient. The decision of the Patent Office to deny respondent's interference application was therefore correct, and the judgment of the Court of Customs and Patent Appeals reversing that decision was erroneous.

CONCLUSION

The judgment of the Court of Customs and Patent Appeals should be reversed.

Respectfully submitted.

THURGOOD MARSHALL,
Solicitor General.

JOHN W. DOUGLAS,
Assistant Attorney General.

PAUL BENDER,
Assistant to the Solicitor General.

SHERMAN L. COHN,
EDWARD BERLIN,

Attorneys,
Department of Justice,
Washington, D.C., 20530.

SEPTEMBER 1965.

²⁹ Cf. *Application of Citron*, 251 F. 2d 619 (C.C.P.A.) (patent on a process for inducing cancer in animals).

1877, 22-23

STATE OF NEW YORK

IN SENATE

January 1, 1878

REPORT

OF THE

COMMISSIONERS OF THE LAND OFFICE

FOR THE YEAR 1877

ALBANY:

WILLIAM H. SAWYER, PRINTER.

1878.

1878.

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